In the Claims

This listing of claims will replace all prior versions and listings of claims in the application:

1   1.   (Currently Amended)   A method of data distribution
2 preserving rights of a remote party comprising the steps of:
3   an authorized user locally transmitting data to ~~new user~~ a
4 receiver; and
5   following said locally transmitting step, authorizing the
6 receiver's use of the data by a trusted agent.

1   2.   (Currently Amended)   A method of data distribution
2 preserving rights of a remote party comprising the steps of:
3   an authorized user locally transmitting the data to an
4 unauthorized receiver; and
5   following said locally transmitting step, the unauthorized
6 receiver contacting a trusted authorizing agent before the full
7 utility of the data is made available to the receiver.

1   3.   (Currently Amended)   A method of data distribution
2 preserving rights of a remote party comprising the steps of:
3   ~~the~~ a sender choosing an encryption key for ~~the~~ a receiver's
4 use;
5   the sender encrypting the data using the encryption key;
6   the sender encrypting the encryption key using a public
7 encryption key of a trusted agent;
8   the sender locally transmitting both the encrypted data and
9 the encrypted key to the receiver;
10   following said locally transmitting step, the receiver and the
11 trusted agent negotiating licensing and payment for the data;
12   following said locally transmitting step, the receiver
13 transmitting the encrypted key to ~~the~~ a trusted agent;

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14   following said locally transmitting step, the trusted agent

15   decrypting the encryption key; and

16   following said locally transmitting step, the trusted agent

17   sending the decrypted encryption key to the receiver to receive the

18   full data.

1   4.   (Currently Amended) The method of Claim 3 including the

2   further step of;

3   the receiver choosing a new encryption key unknown to the

4   sender and encrypting the data with the new encryption key.

1   5.   (Currently Amended) A method of data distribution

2   preserving rights of a remote party comprising the steps of:

3   ~~the~~ a receiver negotiating licensing and payment with a

4   trusted agent;

5   the trusted agent transmitting a ticket to a receiver;

6   ~~the~~ a sender interrogating the receiver to determine if the

7   ticket is valid and halts if not;

8   if the ticket is valid, the sender locally transmitting the

9   un-encrypted data to the receiver.

1   6.   (Currently Amended) The method of Claim 5 including the

2   step of:

3   the receiver chooses a key and encrypts the data.

1   7.   (New) The method of Claim 1, wherein:

2   said step of locally transmitting data includes directly

3   connecting an apparatus of the authorized user to an apparatus of

4   the receiver.

1   8.   (New) The method of Claim 1, wherein:
2   said step of locally transmitting data includes employing a
3   local connection having a first bandwidth; and
4   said step of authorizing includes employing a network having a
5   second bandwidth less than said first bandwidth.

1   9.   (New) The method of Claim 2, wherein:
2   said step of locally transmitting data includes directly
3   connecting an apparatus of the authorized user to an apparatus of
4   the unauthorized receiver.

1   10.   (New) The method of Claim 2, wherein:
2   said step of locally transmitting data includes employing a
3   local connection having a first bandwidth; and
4   said step of contacting the trusted authorizing agent includes
5   employing a network having a second bandwidth less than said first
6   bandwidth.

1   11.   (New) The method of Claim 2, further comprising the steps
2   of:
3   employing the data at the unauthorized receiver with reduced
4   utility following said step of locally transmitting the data and
5   before said step of contacting the trusted authorizing agent; and
6   employing the data at the unauthorized receiver with full
7   utility following said step of locally transmitting the data and
8   said step of contacting the trusted authorizing agent.

1   12.   (New) The method of Claim 11, wherein:
2   the data is musical data; and
3   said step of employing the data with reduced utility includes
4   playing the musical data with reduced audio quality.

1   13. (New) The method of Claim 3, wherein:

2   said step of locally transmitting both the encrypted data and

3 the encrypted key includes directly connecting an apparatus of the

4 sender to an apparatus of the receiver.

1   14. (New) The method of Claim 3, wherein:

2   said step of locally transmitting both the encrypted data and

3 the encrypted key includes employing a local connection having a

4 first bandwidth; and

5   said steps the receiver transmitting the encrypted key to the

6 trusted agent and the trusted agent sending the decrypted

7 encryption key to the receiver both include employing a network

8 having a second bandwidth less than said first bandwidth.

1   15. (New) The method of Claim 5, wherein:

2   said steps of the sender interrogating the receiver and the

3 sender transmitting un-encrypted data to the receiver both include

4 directly connecting an apparatus of the sender to an apparatus of

5 the receiver.

1   16. (New) The method of Claim 5, wherein:

2   said steps of the sender interrogating the receiver and the

3 sender transmitting un-encrypted data to the receiver both include

4 employing a local connection having a first bandwidth; and

5   said steps of the receiver negotiating licensing and payment

6 with the trusted agent and the trusted agent transmitting a ticket

7 to the receiver both include employing a network having a second

8 bandwidth less than said first bandwidth.

1   17. (New) The method of Claim 5, wherein:

2   said steps of the receiver negotiating licensing and payment

3 with the trusted agent and the trusted agent transmitting a ticket

4　to the receiver occur simultaneously for a plurality of tickets;

5　and

6　　　said steps of the sender interrogating the receiver and the

7　sender locally transmitting the un-encrypted data to the receiver

8　occur for a single ticket and corresponding data at a time.